EXHIBIT 53

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11
UNITED STATES DISTRICT COURT

12
NORTHERN DISTRICT OF CALIFORNIA

13
OAKLAND DIVISION

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15 In re RIPPLE LABS INC. LITIGATION   Case No. 4:18-cv-06753-PJH

16 ————————————————————   **DECLARATION OF DAVID SCHWARTZ
IN SUPPORT OPPOSITION TO LEAD**

17 This Document Relates to: **PLAINTIFF'S MOTION FOR CLASS
CERTIFICATION**

18 ALL ACTIONS

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24 DECLARATION OF DAVID   Case No. 4:18-cv-06753-PJH
SCHWARTZ ISO OPPOSITION TO

25 LEAD PLAINTIFF'S MOTION FOR
CLASS CERTIFICATION

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1   I, David Schwartz, hereby declare as follows:

2   1.   I am Chief Technology Officer of Ripple Labs Inc. ("Ripple"). I have served in

3 that role since July 2018. In that capacity, I am responsible for the security of the company's

4 XRP holdings and the company's strategic direction for development of technology. As set forth

5 below, I am one of the developers of the distributed ledger now known as the XRP Ledger.

6 Further, I have served in a technical leadership capacity for Ripple continuously since it was

7 founded in 2012. I make this declaration based on my personal knowledge and on information

8 made known to me in the course of my duties at Ripple. If called to testify, I would testify

9 competently to them.

10   2.   A blockchain is a system for securely recording information. Each transaction is

11 recorded in a "block" on the digital ledger, and each block, in turn, "has a cryptographically

12 secure reference to the prior block," resulting in an immutable timeline of transactions. A

13 blockchain database is typically recorded across a network of computer systems. The distributed

14 nature of the blockchain helps make it difficult, if not impossible, for would-be bad actors to

15 alter past transactions.

16   3.   The Bitcoin blockchain was launched in 2009. In 2011 and early 2012, Jed

17 McCaleb, Arthur Britto, and I developed the source code for a new alternative to the Bitcoin

18 blockchain, now known as the XRP Ledger. At the time, the Bitcoin blockchain, which relied on

19 proof-of-work verification, was the only blockchain technology known to exist. By 2012, other

20 small cryptocurrencies had copied the Bitcoin ledger's open-source code with minimal

21 alterations, but none of those deviated in any significant way from the structure of the Bitcoin

22 ledger. We intended to create a better blockchain than Bitcoin by increasing the speed of

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1 transactions, reducing their cost, and minimizing energy consumption.

2   4.   Upon the launch of the XRP Ledger, it was fully operational, and everyone who

3 had or received XRP could use that XRP to operate the ledger or for other uses.

4   5.   No XRP was sold before the launch of the XRP Ledger in 2012. There was no

5 Initial Coin Offering for XRP. Rather, when the XRP Ledger launched, its code automatically

6 created 100 billion XRP. After the creation of XRP and the XRP Ledger Chris Larsen, McCaleb,

7 and Britto (the original recipients of XRP) formed a new corporate entity, now called Ripple, and

8 granted it 80 billion units of XRP, while retaining 20 billion among themselves. Larsen and

9 McCaleb each retained approximately nine billion; Britto retained the remaining two billion.

10   6.   Ripple never owned the 20 billion XRP retained by Larsen, McCaleb, and Britto.

11 The XRP those individuals owned was their own.

12   7.   The core code for the XRP Ledger was completed in June 2012. Ripple's

13 predecessor was founded later in 2012, after the core code for the XRP Ledger was already

14 completed.

15   8.   Ripple does not own the Ledger. The XRP Ledger's underlying code, known as

16 "rippled," is open-source, and the Ledger is operated by an independent network of validators.

17 Anyone can use the XRP Ledger, submit transactions to the XRP Ledger, host a node to contribute

18 to the validation of transactions, propose changes to the XRP Ledger's source code, or develop

19 applications that run on the XRP Ledger. Indeed, many developers with no connection to Ripple

20 have built software products that use the XRP Ledger, such as a range of payment-processing

21 applications including micropayments.

22   9.   The exact number of individuals and businesses that use or have used the XRP

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1 Ledger or XRP is unknown and unknowable to Ripple. Transactions on the XRP Ledger do not

2 have identifying information, such as name or email address.

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4   I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true

5 and correct.

6   Executed this 3rd day of February, 2023.

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9   David Schwartz

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